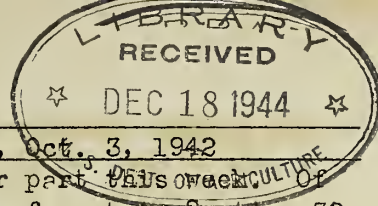


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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Administration



No. 36

AMA "WAR BOARD" LETTER

Wash., D. C., Oct. 3, 1942

CONFERENCE OF NEW REGIONAL ADMINISTRATORS was held here latter part of September of major importance was explanation of plan for decentralization of certain Section 32 purchase and shipping functions. General principles of operations were outlined as follows: 1. General purchase and shipping policy will be determined in Washington based on information and recommendations from regional offices and other sources. 2. Each regional office will provide staff and facilities to handle traffic, shipping and related functions for region. 3. Over-all operational procedures aimed at uniformity of understanding and functions as between regions and Washington will be prepared by Washington. 4. Regional Administrators will be responsible for furnishing Washington reports of operations. 5. Such delegations will be made by the Fiscal Branch of AMA to regional offices as are necessary to maintain fiscal controls in connection with Section 32 purchases.

Important phase of conference was recommendations concerning allocation of funds for Food Stamp and other domestic food distribution programs for the 1942-43 fiscal year. HIGHLIGHTS: AMA expenditures for food programs in past fiscal year amounted to \$161,000,000. Anticipated \$155,000,000 needed for present year, with only \$135,000,000 available (plus commodity carry-over of approximately \$11,000,000). This means savings will be necessary thru adjustments in food stamp plan. School programs: Desirable to expand school milk program up to \$7,500,000, increase of \$6,000,000. \$37,500,000 recommended for school lunch program will permit peak participation of 9,500,000 children with more adequate supplies. (Emphasis was given to need for sounder feeding programs - more thought to meals than to abundance of commodities. This particularly true with regard to milk. Even though shortages may develop in some localities, children should have priority on available supply. This is war necessity.) Direct Distribution: \$20,000,000 recommended, cut of \$5,000,000 from past year, but will be adequate since caseload is lower.. will permit increase in rate from about \$.48 (AMA cost) to \$.68 per person per month. Food Stamp Program: Only \$30,000,000 available. Current expenditures if permitted to run unchecked would exceed this amount by nearly \$10,000,000. Savings of \$5,000,000 to \$9,000,000 seen in remaining months of fiscal year thru extensive program of recertification which already has started. Careful examination of all certifications desirable not only to reduce expenditures but to clean up program generally.. Necessity for correcting basis of issuance stressed. Still many areas in which minimum purchase requirements are considerably less than normal food expenditures. To obtain additional savings, a \$3 per person maximum allowance for blue stamps was recommended. Expected to bring savings of more than \$5,000,000 if put into effect by Nov. 1.

Distribution of funds between states on basis of equal consideration of total population and certified eligible persons in each region proposed. For individual states, distribution of regional allotment on basis of state population.. Regions generally operating in line with this policy. By regions major adjustments call for increase in total expenditures in Great Lakes Region and decrease in Southwest, Midwest and Pacific regions with minor revisions in other regions. Ideal distribution between states would call for great reductions in expenditures in some and large increases in others. Doubt this should be done in one year. Instead, Regional Administrators be provided with estimates and costs of programs state by state as now operated together with estimate of ideal distribution of funds and they will propose changes they find to be practical. Also discussed were a number of experimental programs. (More about these in later letter.) Problem of most efficient use of domestic distribution programs for war economy to be continually under review. Each Regional Administrator will have man to see that AMA WB men are properly serviced as to AMA Programs as whole and to supervise AMA WB activities in their regions.

1943 PRODUCTION GOALS are now being reviewed and should be announced within week or two. Goals for winter vegetables, oats and livestock will probably be announced within next few days.

FARM LABOR: Survey of 12 farms in each of 600 counties throughout the country by AAA is just about completed. Results of study expected sometime later this month expected to give good line on situation and determine whether farmers will be able to provide necessary production next year. OAWR also making another type of study - survey of entire county (Benton) in Indiana. This is more detailed than nation-wide survey. Both are expected to furnish information for Selective Service system regarding necessity for deferments, etc. Observers in USDA say biggest worry now is fact that Selective Service in some areas is already calling farm operators.

Meanwhile, National Selective Service headquarters has sent bulletin to local boards setting forth essential agricultural occupations certified by the War Manpower Commission. These "critical occupations" include: agronomists, airplane pilots doing crop dusting, animal husbandmen, dairy bacteriologists, beekeepers, biologists, farm blacksmiths, butter and cheese makers, chemists, milk condenser operators, cotton classers, cotton-gin operators, cowpunchers, dry yard superintendents, entomologists, all around farm machinery operators (includes only those workers capable of operating and maintaining farm tractors or engines in combination with complex power machinery requiring specialized experience), farm operators, foremen, or generally skilled farm hands (includes only persons generally skilled in farm operations and engaged on a full-time year-around basis, and those in complete charge of operations or management of those types of farm activities included in this list), fruit and vegetable sprayers or dusters, supervising grain-elevator operators, grist millers, hatchery operators, sheep or dairy herdsman (covers only persons in charge of herds who are responsible for feeding, breeding, care and management of herd. Does not apply to one who merely tends sheep or cattle at pasture in order to keep them out of cultivated fields.), irrigation engineers, all around farm mechanics, maintenance mechanics, nurserymen, seed analysts, livestock veterinarians.

VICTORY FOOD SPECIAL PROGRAM: New developments are under consideration. Include further regionalization of program and more emphasis on commodities that will help readjust food consumption habits, i.e. possibly pushing consumption of soya and peanut protein products, roller type dry skim milk and other more abundant protein foods to take place of short meat supplies. First move under this probably will be designation of dried edible beans as VFS around first of year.

FIELD PURCHASE OPERATIONS: Purchases of all truck crops except cabbage were ended September 30. During past week, Sept. 25-Oct. 1, purchases were made as follows: beets, bunched, 6819 bu. at \$.55 per bu. in Pennsylvania; beets, topped, 447 bu. at \$.60 per bu. in Pennsylvania; cabbage, 11852 sacks of 50 lbs. at \$.43 per sack in North Carolina; carrots, bunched, 5227 bu. at \$.55 per bu. in Pennsylvania; corn, 588 bu. at \$.50 per bu. in Pennsylvania and 182 baskets (12 qt.) of tomatoes were bought in the same state at \$.35 per basket. Apple purchases to date (Oct. 1) total 853,974 bushels. All except a few for storage were purchased at \$1.25 per bu. During past week, Sept. 25-Oct. 1, purchases were made as follows: Connecticut, 4740 bu., Delaware, 11484 bu., Kentucky, 1008 bu., Maine, 2921 bu., Maryland, 18912 bu., Massachusetts, 11596 bu., Michigan, 36294 bu., New Hampshire, 4568 bu., New Jersey, 17298 bu., New York, 19956 bu., Ohio, 24828 bu., Pennsylvania, 53276 bu., Virginia, 181744 bu., Vermont, 1164 bu., and West Virginia, 34792 bu. Pineapple purchase program in Puerto Rico wound up last week with purchase of 224 crates at \$1.75 a crate during the week.